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New Loan Program Targets Business Expansion and Creation

For Immediate Release

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(December 1, 2004- TROY)- Mayor Harry Tutunjian announced an exciting new endeavor Wednesday in hopes of reviving an economic development strategy for the City of Troy.

Tutunjian is asking the City Council to pass a resolution Thursday evening that will rename the former Business Revolving Loan Fund, and expand the parameters by which local businesses can apply for the loan from the City of Troy.

Now called the City of Troy Economic Development Assistance Program, the loan fund policy guidelines have been improved to target larger businesses and spur development in Troy.

“There is no question that new revenues are needed in the City of Troy, and one of the first places we look is to our tax base,” Tutunjian said. “We need to improve both the number of businesses and size of businesses that currently exist in the City of Troy. By expanding the parameters of this program, we are opening our arms to anyone who may be interested in coming to Troy. This program aims to serve as a giant welcome mat for those interested in Troy.”

The biggest change to the loan program is the increases in levels of funding businesses can now apply for. Prior to the changes Tutunjian has presented to the Council, the minimum amount a business could seek was \$10,000, with a cap at \$50,000. Those levels have each been increased to a minimum of \$50,000 and a much larger cap of \$250,000.

Outside of increasing the loan amounts, the program has also been expanded to include more eligible uses of program funding, a transfer of administration to the City of Troy, and a revision of the composition of the Loan Review Committee.

“The larger loan amount opens the program up to a variety of businesses small and large,” Tutunjian said. “The previous program, with a cap of \$50,000, would not be much of a help to larger businesses. By increasing the amount to \$250,000 we are hopeful to attract more businesses to apply for the loan than ever before.”

Combined with other Troy economic development resources such as the Industrial Development Authority, the real property tax abatement program, and the matching 50/50 façade grant program, Tutunjian believes the Economic Development Assistance Program provides the City with a business development and attraction package that addresses a full-range of business needs.

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“The City of Troy needs to be as business friendly as possible,” Tutunjian said. “We have many wonderful and exciting developments taking place right now, and we need to ensure we are adding to the mix the ability for others to come to Troy and be successful. We also must provide a tool to ensure expansion of current business becomes easier. Developing new programs such as this is one way to do that.”

Earlier this month, a Troy restaurant reopened after an extensive renovation made possible partly through the use of the 50/50 façade grant program, one of the programs the City offers to people. Minissale’s Wine Cellar Café, located just off Congress Street at 14 1st Street, has turned its old restaurant into a sparkling eatery that exudes a New York City type atmosphere. The Minissales used the façade program to complete the renovation of the front of the building.

“Ted and Phil Minissale should be used as a case study for what can happen when people put their mind to a project,” Tutunjian said. “The revamped restaurant has an inviting look from the outside, and is even more stunning on the inside. They have not only benefited themselves, but they have helped the residents of Troy. Their efforts are one of the first steps in the revitalization of that Congress Street area. I am convinced their hard work will pay off.”

City Councilwoman Carolin Collier said Wednesday that she supports the plan, and hopes the new guidelines will help the expansion of current businesses.

“I often hear about businesses that would like to expand in the City of Troy, but may not have the money to accomplish that goal,” she said. “This new program will go a long way in making any future expansions a more attainable reality in the City of Troy.”

City Councilman Mark Wojcik also said he supports the plan, and believes it could help the section of Lansingburgh he represents.

“I think it has been somewhat successful so far and I believe that these improvements will allow it to be furthered. Whether it is a start up business or someone looking to expand in the City, this program will be there to help.”

Sondra Little will administer the program for the City of Troy. Anyone interested in applying for the loan, or any of the other City programs should contact her at 270-4589